Preparing for Value-Based Payment in Behavioral Health and Primary Care 2018 Innovation Community Webinar 1/Summer Cohort

Mindy Klowden
Director of Training and Technical Assistance
SAMHSA-HRSA
Center for Integrated Health Solutions

HRSA Health Resources & Services Administration

SAMHSA Substance Abuse and Mental Health Services Administration

Setting the Stage: Today's Moderator

Madhana Pandian
Senior Associate
SAMHSA-HRSA Center for Integrated Health Solutions

Slides for today's webinar will be available on the CIHS website:

www.integration.samhsa.gov

Under About Us/Innovation Communities 2018

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Listserv

Look for updates from: value_based_care_ic_2@nationalcouncilcommunities.org

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

To participate

Use the chat box to communicate with other attendees

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Disclaimer

The views, opinions, and content expressed in this presentation do not necessarily reflect the views, opinions, or policies of the Center for Mental Health Services (CMHS), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Health Resources and Services Administration (HRSA), or the U.S. Department of Health and Human Services (HHS).

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

SAMHSA-HRSA Center for Integrated Health Solutions

WHO WE ARE

The **SAMHSA-HRSA Center for Integrated Health Solutions (CIHS)** is a national training and technical assistance center dedicated to the planning and development of **integration of primary and behavioral health care** for those with mental illness and/or substance use disorders and physical health conditions, whether seen in specialty mental health or primary care safety-net provider Settings across the country.

CIHS is jointly funded by the Substance Abuse and Mental Health Services Administration (SAMHSA) and the Health Resources Services Administration (HRSA), and is run by the National Council for Behavioral Health, the unifying voice of America's healthcare organizations that deliver mental health and addictions treatment and services.

HRSA Health Resources & Services Administration

SAMHSA Substance Abuse and Mental Health Services Administration

About the Presenter: Mindy Klowden, MNM

- Mindy is the Director of Training and Technical Assistance for CIHS and provides individualized consultation and training to community mental health centers, primary care clinics and other health care systems and providers working to integrate primary care, mental health and substance use disorder treatment. Ms. Klowden also works on health care payment and delivery system reform, and co-chairs the Colorado State Innovation Model Practice Transformation committee.
- Prior to joining the National Council, Mindy served as the Director of the Office of Healthcare Transformation at Jefferson Center for Mental Health in CO. In this role, she was an advisor to executive and senior management on health care policy and trends, developed key health reform initiatives, and worked to cultivate and sustain inter-agency partnerships that support the integration of behavioral health with primary care.
- Mindy has 25 years of experience in the nonprofit sector. Previous roles include working with the Colorado primary care association and with affordable housing and homeless service provider and advocacy groups.
- Mindy earned her Master's degree in Nonprofit Management from Regis University and her Bachelor's of Arts in Sociology from The Colorado College. She is also a graduate of the Bighorn Healthcare Policy Leadership Fellowship Program.

Learning Objectives for Today

- ✓Establish the 2018 Value-Based Payment Innovation Community; clarify participant expectations and role of the Coach/Facilitator
- ✓Provide a brief primer on value-based payment and different payment methodologies
- ✓Review key domains from the organizational readiness assessment; provide guidance on workplans

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Our Purpose

This Innovation Community will support behavioral health and primary care providers in understanding the policy and trends shaping value-based payment methodologies, the payment reform continuum, and the transformations required in clinical and business practices to succeed under value-based contracts.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Participants- 2018 Spring/Summer Cohort

- ADAPT Programs
- Adirondack Health
- AltaPointe Health. Inc.
- Avera Health
- Berks Counseling Center
- Betances Health Center
- Bluegrass.org
- Catholic Family Center
- Cenpatico Integrated Care
- Centers for Youth and Families
- Citrus Health Network, Inc.
- Comprehend,Inc.
- Cone Health Behavioral Health
- Consejo Counseling & Referral Service
- Emergence Health Network
- Family Health Center of Boone County
- Family Service Agency
- Freeman Health System
- Gateway Community Services
- Great Rivers Behavioral Health Organization

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Participants- 2018 Spring/Summer Cohort

- Guild Incorporated
- Hillside Family of Agencies
- ISSAIH HOUSE
- J.C. Blair Memorial Hospital
- Koinonia Primary Care Inc
- Liberty Resources
- Logan Mingo Area Mental Health, Inc.
- Maryland Behavioral Health Administration
- Meharry Medial College
- NorthEast Treatment Centers
- Open Health Care Clinic
- Osceola Mental Health, Inc, d/b/a Park Place Behavioral Health Care
- Santa Barbara Neighborhood Clinics
- Spindletop Center
- Square Medical Group
- Tarzana Treatment Centers, Inc.
- The Link & Option Center, Inc.
- Tri-County Mental Health Services
- Upper Great Lakes Family Health Center
- Wayne County Action Program

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Expectations of Participants

1. Participants will take part in small group coaching calls/webinars, and list serve discussions that will address the educational needs of participants and provide practical resources and tools.
2. By the end of this Innovation Community, participants will have completed a readiness assessment, identified concrete goals, and created a work plan that lays out their next steps and tools needed to achieve their stated outcomes.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Next Steps

- ✓ 2nd Group webinar Tuesday June 12th 3pm-4:30pm eastern with SME Julie Schilz
- ✓ Do background reading
- ✓ Develop organizational workplan
- ✓May 29th- Office Hours available
- ✓Use list-serv value_based_care_ic_2@nationalcouncilcommunities.org

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

The "Quadruple Aim"

Population Health

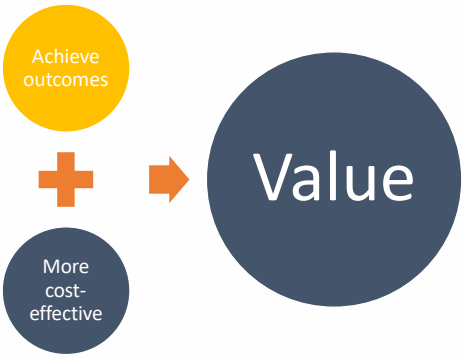
Experience of Care

Per Capita Cost

Provider Satisfaction

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

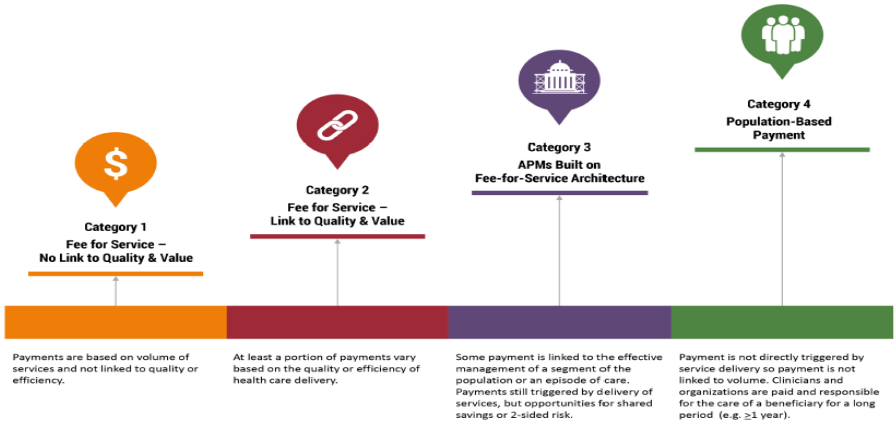
What is Value-Based Payment?



- Shifts the focus from traditional fee-for-service (FFS) systems that pay for volume of services to alternative payment models that reward high-quality, cost-effective care.
- There is a continuum of payment methodologies, with increasing levels of accountability and financial risk to the provider.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

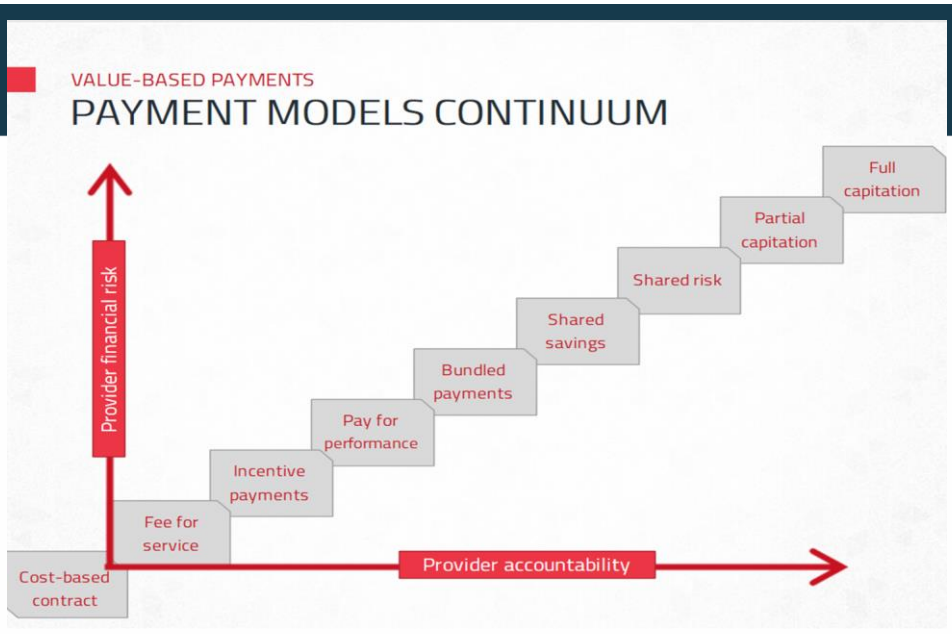
Figure 2: CMS Payment Model



The CMS Framework assigns payments from payers to health care providers to four Categories, such that movement from Category 1 to Category 4 involves increasing provider accountability for both quality and total cost of care, with a greater focus on population health management (as opposed to payment for specific services).

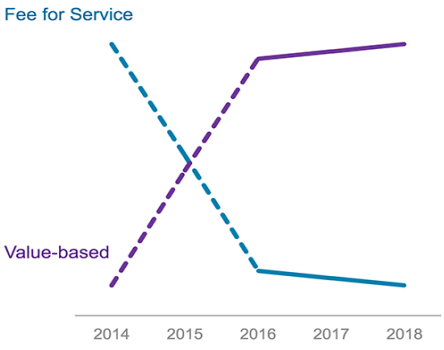
HCP LAN
Health Care Payment Learning & Action Network

Final Release



HRSA Health Resources & Services Administration
SAMHSA Substance Abuse and Mental Health Services Administration

Acceleration of Value-Based Payment CMS



HHS Value-Based Payment Goals

2016
30% of contracts will have alternative payment models (such as ACOs or bundled payments). 85% will be tied to quality or value through programs such as VBP or readmission reduction.

2018
50% of contracts to be tied to alternative payment models and 90% to quality or value overall.

Source: HHS Press Release, January 26, 2015

HHS = Health & Human Services, **CMS** = Center for Medicare/Medicaid Services, **ACO** = Accountable Care Organization, **VBP** = Value Based Payment

4

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

What is MACRA?

•The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) is a bipartisan legislation signed into law on April 16, 2015.

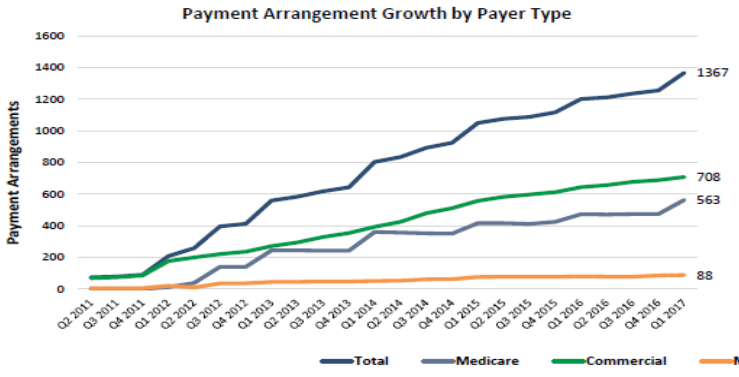
- MACRA created the Quality Payment Program that:
- Repeals the Sustainable Growth Rate formula
- Changes the way that Medicare rewards clinicians for value over volume
- Streamlines multiple quality programs under the new Merit Based Incentive Payments System (MIPS)
- Exempts physicians from MIPS if they participate in eligible alternative payment models (APMs)

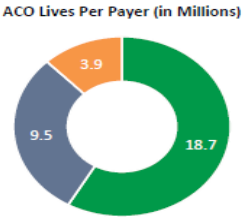
•Source: CMS

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

ACO GROWTH BY PAYER

LEAVITT PARTNERS





Source: *Leavitt Partners Center for Accountable Care Intelligence*

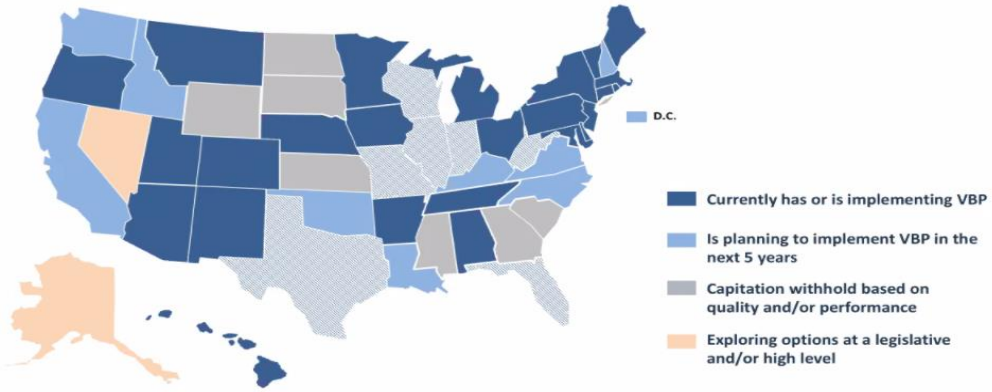
4

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

MEDICAID VALUE-BASED PAYMENTS

ACCOUNTABLE CARE LEARNING COLLABORATIVE

States implementing value-based payments in Medicaid



Current as of May 2017

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Medicaid Value-Based Payment in Behavioral Health
Source: Center for Healthcare Strategies, June 2017

Exhibit 3: Overview of State Models

State	Program Scope	Medicaid Population Covered	Behavioral Health Delivery Model	VBP Strategy Based on LAN APM Framework*	Authority
Arizona	Statewide	Individuals with a serious behavioral health diagnosis	Specialty managed care carve-in	RBHAs choose strategies from Categories 2, 3 or 4	MCO contract requirements via 1915(b) waiver
Maine	Defined communities	Individuals receiving services in "Accountable Communities"	Medicaid ACO	Category 3	State Plan
New York	Statewide	Individuals with specific chronic conditions, including behavioral health	Managed care carve-in/ specialty managed care carve-in	Both Categories 3and 4	Delivery System Reform Incentive Payment (DSRIP) Program, 1115 waiver
Tennessee	Statewide	Individuals with a behavioral health diagnosis and/or meets related utilization criteria	Managed care carve-in	Category 2	State Plan
Pennsylvania	Statewide	Individuals with a co-occurring serious behavioral/ physical health condition	Managed care carve-out	Medicaid MCO pay-for-performance**	MCO contract requirements via 1915(b) waiver

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Certified Community Behavioral Health Clinics (CCBHCs)

- Minnesota
- Missouri
- New York
- New Jersey
- Nevada
- Oklahoma
- Oregon
- Pennsylvania

Table 1. Rate Elements of CC PPS-1 and CC PPS-2

Rate Element	CC PPS-1	CC PPS-2
Base rate	Daily rate	Monthly rate
Payments for services provided to clinic users with certain conditions[12]	NA	Separate monthly PPS rate to reimburse CCBHCs for the higher costs associated with providing all services necessary to meet the needs of special populations
Update factor for demonstration year 2	Medicare Economic Index (MEI)[13] or rebasing	MEI or rebasing
Outlier payments	NA	Reimbursement for portion of participant costs in excess of threshold
Quality bonus payment	Optional bonus payment for CCBHCs that meet quality	Bonus payment for CCBHCs that meet quality measures detailed

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Multi-Payer Alignment

- Aligning core quality measures, approaches to risk adjustment/stratification, and attribution or assignment

VBP Organizational Readiness

1. Understanding of different approaches to value based payment: how well an organization understands the payment reform continuum and common terminology used in value-based payment.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Key Domains, continued

2. Continuous Quality Improvement (CQI): to what extent the organization uses an ongoing, structured approach to using quality improvement tools and data to improve organizational processes with the goal of increasing the efficiency and effectiveness of clinical and administrative services.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Key Domains, continued

3. Financial Readiness: The ability of an organization to predict, describe and analyze costs related to the execution of administrative and clinical services.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Key Domains, continued

4. Population Health Management: how prepared is the organization to improve the health outcomes of a group by monitoring and identifying individual patients within that group.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Provider Readiness for Value-Based Contracts

Do you…

- Know the actual unit costs?
- Understand the patient population?
  - Utilization patterns
  - Morbidity
  - Risk stratification
- Understand what data the clinic or program collects and/or has access to?
- Utilize continuous quality improvement?
- Utilize population health management tools?
- Know how much financial risk is acceptable?

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

What do Payers Want?

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

What Do Payers Want? continued

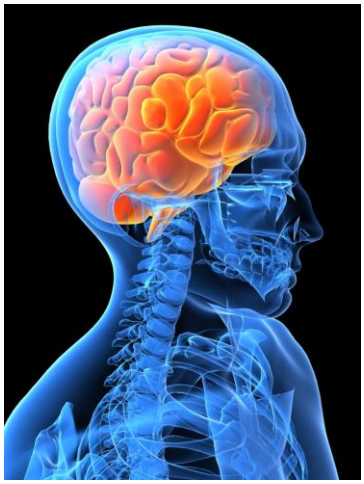
- Lower costs (appropriate utilization)
- Better care (demonstrated outcomes)
- Patient satisfaction
- Predictability
- Integration of behavioral health and primary care
- Social Determinants addressed
- Shared risk

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Integrated Care and Value-Based Payment

"Mental health and primary care are inseparable; any attempts to separate the two leads to inferior care."

(Institute of Medicine, 1996)



HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

The Impact of Integrated Care: A Sampling of the Evidence

- ✓ "High-quality evidence from more than 90 studies involving over 25,000 individuals support that the CCM (Collaborative Care Model) improves symptoms from mood disorders and mental health-related quality of life." (Millbank Fund, May 2016)
- ✓ "Integrating behavioral health and primary care, when adapted to fit into community practices, reduced depression severity and enhanced patients' experience of care. Integration is a worthwhile investment." (Journal of the American Board of Family Medicine, March 2017)
- ✓ Increasingly, reports from the field reflect that integration of behavioral health has resulted in dramatic increases in workflow productivity of the primary care team (e.g., South Central Foundation in Alaska)

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Economic Impact of Integrated Care (Milliman, Jan 2018)

- ✓ Patients with chronic medical and comorbid mental health/substance use disorder (MH/SUD) conditions cost **2-3 times more as those without**
- ✓ Projected costs for those with comorbid conditions in 2017 was estimated at $406 billion across commercially-insured, Medicaid, and Medicare beneficiaries in the United States
- ✓ Most of the increased cost is attributed to medical services (not behavioral)
- ✓ The study concluded that "an estimated $38-$68 billion could be saved annually through effective integration of medical and behavioral healthcare", with most of the projected reduced spending associated with facility and emergency room expenditures in hospitals.

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Potential Economic Impact of Integrated Medical-Behavioral Healthcare (Milliman, Jan 2018)

FIGURE 1: PROJECTED HEALTHCARE COST SAVINGS THROUGH EFFECTIVE INTEGRATION (NATIONAL, 2017)

PAYER TYPE	ANNUAL COST IMPACT OF INTEGRATION
COMMERCIAL	$19.3 - $38.6 BILLION
MEDICARE	$ 6.0 - $12.0 BILLION
MEDICAID	$12.3 - $17.2 BILLION
TOTAL	**$37.6 - $67.8 BILLION**

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Adverse Childhood Experiences (ACES) At the Foundation of Health

- ✓ Over 17,000 adults studied from 1995-1997
- ✓ Almost 2/3 of participants reported at least one ACE, and over 1/5 reported three or more ACEs, including abuse, neglect, and other childhood trauma
- ✓ Major links identified between early childhood trauma and long term health outcomes, including increased risk of many chronic illnesses and early death

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Life-long Physical and Behavioral Health Outcomes Linked to ACES

- ✓ Alcohol, tobacco & other drug addiction
- ✓ Auto-immune disease
- ✓ Chronic obstructive pulmonary disease &
- ✓ ischemic heart disease
- ✓ Depression, anxiety & other mental illness
- ✓ Diabetes
- ✓ Multiple divorces
- ✓ Fetal death
- ✓ High risk sexual activity, STDs &
- ✓ unintended pregnancy
- ✓ Intimate partner violence—perpetration & victimization
- ✓ Liver disease
- ✓ Lung cancer
- ✓ Obesity
- ✓ Self-regulation & anger management problems
- ✓ Skeletal fractures
- ✓ Suicide attempts
- ✓ Work problems—including absenteeism, productivity & on-the-job injury

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Common Pitfalls

- Changing the practice without changing the culture
- Not trying a "phased-in" approach
- Inadequate data systems for population health management
- Inadequate clinical quality improvement processes
- Inadequate staff training
- Poor communication (do clinical staff understand what is in the contract?!)
- Lack of productivity targets and/or inefficient processes
- Not knowing actual cost of services

Financial Challenges

Forecasting:

- ✓Do we know our actual unit costs?
- ✓Do we know our utilization patterns? Do we have competency around predictive analytics?
- ✓Can we accept the risk? Even if its "upside only?" How much can we accept?
- ✓How will it impact cash flow, profitability, and our need for financial reserves?
- ✓What new services, staff, and infrastructure do we need to be successful? How do we need to budget for this?

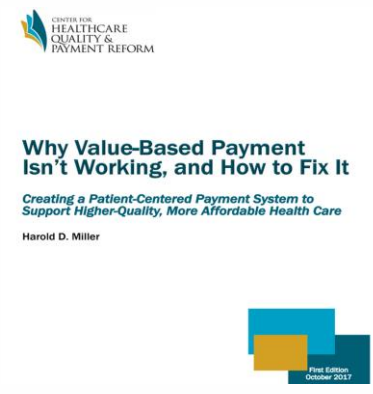
HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

What Data Do You Need to Succeed?

- ✓Utilization patterns
- ✓Morbidity risk
- ✓EHR data
  - ✓ Needs aggregating
  - ✓ Supplement with disease registries, care management software
- ✓Claims data
- ✓Patient satisfaction data
- ✓Hospital admissions, readmissions and Emergency Room utilization

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Is Value Based Payment Achieving Its Intended Goals?



"None of the "value-based payment" and "value based purchasing" systems that are commonly being implemented today truly correct the problems with Fee-for-Service payment. Moreover, they can create new problems for patients that do not exist in the Fee-for- Service system, such as risks of under-treatment and reduced access to care, and they can create new administrative burdens for healthcare providers that can also reduce access to quality care or lead to consolidation of providers and ultimately to higher prices for services."

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

"Bundled payment approaches pose significant operational challenges…the payment system must account for differences in the illness severity of different patient populations…In the absence of adequate case mix adjustment, providers may not want to care for the sickest patients for fear of being financially liable for their inherently more expensive care. On the other hand, if the bundled payment amount is significantly higher for patients who are sicker or more complex, providers may try to code patients as being sicker. "

Rand Corporation https://www.rand.org/pubs/technical_reports/TR562z20/analysis-of-bundled-payment.html

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Next Steps

- ✓ 2nd Group webinar Tuesday June 12th 3pm-4:30pm eastern with SME Julie Schilz
- ✓ Do background reading
- ✓ Develop organizational workplan
- ✓May 29th- Office Hours available
- ✓Use list-serv
  value_based_care_ic_2@nationalcouncilcommunities.org

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

S.M.A.R.T. Goals

- Specific
- Measurable
- Attainable (or Actionable)
- Realistic
- Timebound

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Sample Agency Goals, VBP Innovation Community

- ✓By May 30, implement a professional development plan to increase staff readiness to succeed under value based payment
- ✓By May 30, develop a continuous quality improvement process to track outcomes and use data to inform clinical processes and protocols
- ✓By May 30, develop a potential case rate for a defined scope of services that can be proposed to a payer
- ✓Other goals – what will make your participation worthwhile?!

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Sample Workplan

Goal(s)	Objective(s)	Action Step (s)	Person(s) Responsible	Timeline(s)	Notes
By May 30, 2018, XYZ agency will be ready to track outcomes on key performance indicators, thus preparing the agency to success under a pay-for-performance contract	Develop a continuous quality improvement process to track outcomes and use data to inform clinical processes	1. Create CQI team to meet monthly 2. Conduct analysis of what data is currently available (data mapping) 3. Identify which key performance indicators are most important to track 4. Implement rapid cycle improvement processes	Betsy Cohen, COO Danny Klein, CQI Director	1. By Feb 28 2. By March 31 3. By April 30 4. By May 30	Data sources to include EHR, care management software, Medicaid claims, grant specific access database

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

5/9/2018

5x5 Presentation

- A **5x5** is a communication tool where you have **five minutes** to present **five slides** that tell the story of your change project. :
- Clearly explain your changes and their results using the PDSA approach as a framework. (Plan-Do-Study-Act)
- Keep it simple – You have five minutes to present five Power Point slides which tell your story.
- Use graphs to display your results. Make them clear and simple
- Use key words and bullets
- Be creative!

Recommended 5X5 Content

- What you set out to do (agency goals)
- How you did it
- What went well (achievements)
- Challenges encountered and how you overcame them
- Impact
- Next steps

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

Discussion

HRSA Health Resources & Services Administration SAMHSA Substance Abuse and Mental Health Services Administration

CIHS News and Resources

Visit
www.integration.samhsa.gov
or e-mail
integration@thenationalcouncil.org

Free consultation on any integration-related topic!

HRSA Health Resources & Services Administration
SAMHSA Substance Abuse and Mental Health Services Administration

Thank You – Please fill out our survey following the webinar

SAMHSA's mission is to reduce the impact of substance abuse and mental illness on America's communities.

The mission of HRSA is to improve health and achieve health equity through access to quality services, a skilled health workforce, and innovative programs.

Mindy Klowden Mindyk@thenationalcouncil.org (303) 884-2670

www.hrsa.gov | www.samhsa.gov
integration.samhsa.gov

HRSA Health Resources & Services Administration
SAMHSA Substance Abuse and Mental Health Services Administration